

**REMARKS**

This Amendment addresses the issues outstanding from the final Office Action dated June 15, 2010. Favorable reconsideration of this application, as amended, is respectfully requested.

Applicants acknowledge with appreciation the indication of allowable subject matter in Claims 14-16, 21, 22, 28-30, and 38.

To expedite prosecution of this application, and without acceding to the rejections, features from allowable Claim 38 (now cancelled) have been added to independent Claims 1 and 24. Features from dependent Claim 25 (also now cancelled) have also been added to Claim 24. Claims 2-4 have been amended for consistency with amended Claim 1.

As now set forth in Claim 1 a process that includes the steps of: (a) producing molten steel and molten steelmaking process in a steelmaking vessel, the steelmaking slag including iron units and flux units; and (b) producing molten iron in a direct smelting process in a direct smelting vessel containing a molten bath of iron and iron-making slag by supplying iron ore or pre-treated iron ore and carbonaceous material to the direct smelting vessel as a part of the feed material requirements of the direct smelting process and using a substantial portion of the steelmaking slag from step (a) as another part of the feed material requirements for the direct smelting process and smelting the iron ore or pre-treated iron ore and iron units to produce molten iron, wherein the direct smelting process includes using a slag forming agent to provide flux units in addition to the flux units provided by the steelmaking slag, injecting the slag forming agent directly into the direct smelting vessel as opposed to pre-treating the slag forming agent before injection into the vessel as is the case with the steelmaking slag.

Similarly, Claim 24 now recites a direct smelting process for producing molten iron in a direct smelting vessel containing a molten bath of iron and iron-making slag, the process including the steps of: (a) pre-treating ferrous feed material including steelmaking slag containing iron and flux units in a pre-treatment unit by at least heating and at least partially reducing the ferrous feed material; and (b) direct smelting molten iron in a direct smelting vessel containing a molten bath of iron and iron-making slag by supplying iron ore or pre-treated iron ore and carbonaceous material to the direct smelting vessel as a part of the feed material requirements of the direct smelting process and using a substantial portion of the pre-treated ferrous feed material including steelmaking slag from step (a) as another part of the feed material requirements for the direct smelting process and smelting the iron ore or pre-treated iron ore and iron units to produce molten iron using a slag forming agent to provide flux units in addition to flux units provided by the steelmaking slag and injecting the slag forming agent directly into the direct smelting vessel as opposed to pretreating the slag forming agent before injection into the vessel as is the case with the steelmaking slag.

In view of the foregoing, independent Claims 1 and 24 and their respective dependents are believed to be in condition for allowance. Accordingly, Applicants respectfully request a Notice of Allowance and passage of this application to issue.

Should the Examiner believe that any further action is necessary to place this application in better form for allowance, the Examiner is invited to contact Applicants' representative at the telephone number listed below.

The Commissioner is hereby authorized to charge to Deposit Account No. 50-1165 (T2211-11786US01) any fees under 37 C.F.R. §§ 1.16 and 1.17 that may be required by this paper and to credit any overpayment to that Account. If any extension of time is required in connection with the filing of this paper and has not been separately requested, such extension is hereby requested.

Respectfully submitted,

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By: /Patrick L. Miller/

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